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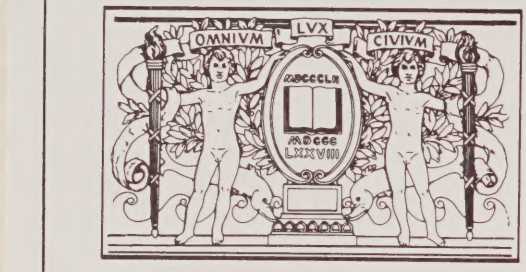

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CONDOMINIUM DEVELOPMENT IN BOSTON

1969 - 1987

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Boston Redevelopment Authority

Policy Development and Research Department

August 1988

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CONDOMINIUM DEVELOPMENT IN BOSTON: 1969 - 1987

Conducted by Rolf Goetze and Debbie Oriola

This informational report was prepared for review and consideration by the Boston Redevelopment Authority and City of Boston

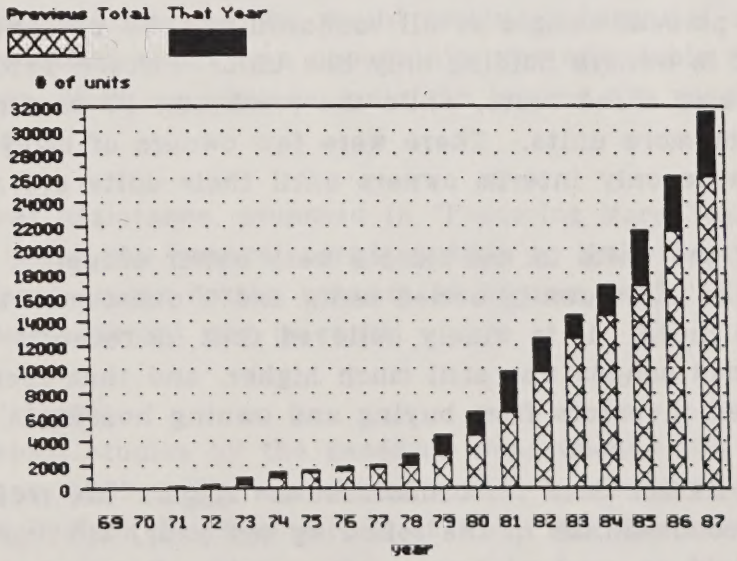
Introduction and Summary of Findings

This study assesses the recent, rapid growth of condominiums in Boston, as a guide in shaping the city's housing policies: where they are being created; how they are valued; who is buying condominiums, under what intentions and time horizons; which ones are owner-occupied; and determining the longer term implications of these housing patterns upon Boston's neighborhoods and the rental housing stock.

As of January 1, 1988, the city of Boston had a total of 31,500 condominiums, based on the master deeds filed to allow their creation. This is over 12 percent of the City's entire housing stock, or one unit in eight. On a unit basis, over one-sixth of this total, 5,375 condominiums, have been created throughout the past year, 1987. Nearly one-quarter of all the master deeds for condominiums since 1969, when condominiums first appeared in Boston, were filed during the past year.

Since January 1, 1980, when there was a total of 4,531 condominiums, Boston's stock of such units has become seven times larger. Well over half of all condominiums in Boston have been created since the beginning of 1984. Figure 1 provides an overview of the rising number of condominiums created in recent years.

Figure 1: Condominiums in Boston by Year Created, 1969 - 1987



Source: BRA Research Department

- In a relatively steady pattern holding since the early 1970s, only one condominium in five was newly constructed or converted from former schools, hotels, warehouses and other non-residential structures, while the balance came from converting existing residential stock in desirable locations.

- Nearly one-fourth of the condominiums created in 1987, 1,300 units, are in the 1-4 unit stock because conversions have sharply risen in neighborhoods where triple-deckers predominate, including South Boston, Dorchester and Jamaica Plain.

- From 1982 through 1986, condominiums participated fully in the general rise in property values. Average unit values rose from $60,000 in 1982 to $165,000 in 1986, or from $66 per square foot to $185. (Prices for 1987 revealed that prices increases slowed as a surplus in units for sale emerged.)

- Conversion of existing rental housing to equity-based, condominium ownership has often created a windfall of $40,000 or more per unit for the seller because, until the recent surge in prices and conversions, demand for condominiums far exceeded available supply. Also, with the reduction of federal investor tax benefits, the remaining income tax provisions for homeownership now boost the value of housing converted to resident ownership.

- The Tax Reforms of 1986 sharply diminished the tax incentives to be an absentee-investor-owner of rental apartments, while indirectly enhancing the appeal of homeowner tax deductions for those able to claim them. However, so many converters have sprung up that an inventory of unsold condominiums has recently emerged. Some developers are renting as an interim holding action, striving to keep their units occupied -- at whatever market rents they can obtain.

- Based on a six percent sample of all condominiums, 72 percent were in individual ownership, that is owners holding only one unit. Fifteen percent were owned by owners with two or three units, while the remaining 13 percent were owned by owners with 4 or more units. There were few owners of many units, and generally it seems they were only interim owners until their units are sold.

- Just about half the units in the sample were owner occupied, comprising nearly two-thirds of the individually owned units and a quarter of those owned by holders of two or three units. It is widely believed that as recently as 1984 the proportion of investor-owned condos was still much higher, and that recent federal tax reforms have discouraged investors from buying and owning housing.

- The filing of a master deed for condominiums triggers tax reclassification and reassessment as a condominium in the following tax year, whether or not the units have actually been sold as condominiums. After reclassification, the same unit typically becomes assessed at twice the prior value, bringing the city more tax revenue, but in effect forcing the owner to complete the conversion in order to meet the increased property taxes.

- The recent growth in condominium conversions reflects Boston's strong residential market, its regional housing shortages and more basic federal income tax realities. Housing shortages have become so critical that many households are prepared to commit two incomes to obtain or even to rent a home, threatening to displace single income renter households.

- As monthly costs of providing housing rise above $500, it makes more and more economic sense for those with downpayments to own rather than to rent. Ironically, such monthly outlays, committed towards ownership, also make the unit worth $30,000 to 60,000 more -- creating a windfall. The affordable housing debate is appropriately focused on these windfalls. Whose is it to be: the prior owner's, the former tenant's, or should it go to newcomers or outside converters acting on their behalf -- or can it be prevented by regulating condominium conversions?

- Some of these windfalls can be harnessed to benefit Boston residents who wish to own. The majority of 1-4 family buildings have not been sold since the significant increases in value began in 1982. Apartments in these buildings could be sold as condominiums at monthly costs that are very comparable to current asking rents -- while still providing their owners a substantial capital gain. A companion paper, "Fostering More Homeownership," discusses ways to make such resident ownership more affordable.

- The recently enacted removal permit system, proposed by the Flynn administration, can produce more reasonable sales prices for many existing tenants in the 72,700 rental units under Rent Equity Board jurisdiction, which covers mainly apartments in multifamily structures and absentee-owned triple-deckers.

- At partially regulated prices, sellers would receive substantial appreciation in value and tenant/buyers would receive an opportunity for affordable homeownership. Without regulations, most conversions would be beyond the reach of the majority of Boston's residents.

- Public downpayment assistance, proposed in "Fostering More Homeowership," coupled with regulations under the removal permit system to limit the loss of affordable housing, would enable many Boston tenants to become condo owners, paying little more than they must current pay in rents.

Past Condominium Patterns

As reported in previous studies by the Research Department,[1] the first phase of condominium development, 1969-1973, was characterized by conversion of older, high quality rental units in Back Bay/Beacon Hill at what was then viewed as a fast pace.

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[1] See "Condominium Development in Boston," by Bonnie Heudorfer, BRA Research Dept., September 1980; and "Condominium Development in Boston through 1983," by J. Huggins, T. Matsuwaki, J. Robertson and J. Brown, August 1983.

By 1973, condominium development had just commenced in the North End/Waterfront area. At the end of that year the City had a grand total of 876 units, less than 4/10ths of one percent of the City's total housing stock at the time, and only about 2.8 percent, or one unit in thirty five of the current condominium stock.

The consolidation phase, 1974-1977, brought a slower pace of condominium development but a greater diversity of stock and expansion beyond the proximity of Beacon Hill. During this phase, master deeds were filed for 1,166 units, 3.7 percent of the current stock. Conversions spread to the South End, Fenway, and the north slope of Beacon Hill, and included former lodging houses, recycled hotels, warehouses and surplus schools. In the downtown area, many condominiums were modestly priced, including former rental units sold "as is" to tenants or new buyers. The first case of new construction of condominiums also occurred during this period, in Jamaica Plain.

During the first major development wave, 1978-1979, conversions, adaptive re-use and new construction all accelerated. Developers added 2,489 units during that period, 7.9 percent of the current condominium stock . In 1979, action shifted to neighborhoods other than Back Bay/Beacon Hill. Conversions of apartments and lodging houses in the South End, including St. Botolph Street, increased dramatically.

From 1980 through 1983, condominium development reached a high annual rate of 3,357 units in 1981, before slowing to 1,873 units in 1983, the period of highest interest rates. In 1981, the City recorded over 200 developments, creating over one-tenth of the current condo stock. Table 1 shows the number of master deeds filed in Boston by year, and the resulting number of condominium units.[2]

By 1981, condominium development had spread to each of the sixteen neighborhoods, led by Allston/Brighton, Back Bay/Beacon Hill, the Central and Fenway/ Kenmore districts. Even in Roxbury three units were created, as shown in Table 2.

In 1982 and 1983, the pace of condominium development slackened as mortgage interests rates soared, but geographic dispersion continued as conversions reached annual highs in 1982 in South Boston and East Boston.

From 1984 on, as interest rates declined, condominium development accelerated again. Conversions reached new peaks with 4,510 in 1985, 4,585 in 1986, and even more, 5,375, in 1987, as shown in Table 1. *In fact, well over half of all condominiums in Boston have been created since the beginning of 1984.*

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[2] Creating or converting an existing property into condominiums involves filing a master deed at the Registry of Deeds. This filing includes architectural plans indicating the size of each resulting new legal unit which henceforth becomes assessed individually as a new parcel. For example, one former ten unit apartment parcel becomes ten new parcels in addition to the residual parcel composed of underlying land and supporting structure -- and all eleven parcels are listed and assessed in condominium use.

Table 1: Annual Creation of Residential Condominiums in Boston by Year, 1969 - 1987

Year	Master deeds		Condominium units	
1969	1	0.0%	8	0.0%
1970	3	0.1	29	0.1
1971	7	0.3	208	0.7
1972	13	0.5	145	0.5
1973	24	0.9	486	1.5
1974	28	1.0	474	1.5
1975	17	0.6	218	0.7
1976	24	0.9	268	0.9
1977	21	0.8	206	0.7
1978	59	2.2	813	2.6
1979	158	5.9	1,676	5.3
1980	136	5.1	1,860	5.9
1981	207	7.7	3,357	10.7
1982	141	5.3	2,795	8.9
1983	130	4.8	1,873	5.9
1984	238	8.9	2,614	8.3
1985	348	13.0	4,510	14.3
1986	472	17.6	4,585	14.6
1987	658	24.5	5,375	17.1
Total	2,685	100.0	31,500	100.0

Source: BRA Research Dept. compilation of Suffolk County Registry of Deeds records

Table 2: Additions to Boston's Residential Condominiums by Planning District and Year, 1969 - 1987

Planning District	1969-75	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	Total
Boston City Total:	1,568	268	206	813	1,676	1,860	3,357	2,795	1,873	2,614	4,510	4,585	5,375	31,500
1. East Boston							8	55	19	26	82	100	204	494
2. Charlestown		9			10	20	21	25	47	134	157	242	393	1,058
3. South Boston				42	75	15	56	146	3	28	105	169	308	947
4. Central	303	9	32	248	311	145	510	663	572	614	277	750	524	4,958
5. Back Bay/Beacon Hill	1,128	124	86	318	714	407	623	656	219	495	509	661	510	6,450
6. South End	36			5	78	125	129	89	210	318	377	481	471	2,319
7. Fenway/Kenmore	17			5	67	228	421	238	231	295	681	632	328	3,143
8. Allston/Brighton	3		88	50	225	591	1,060	751	369	358	1,555	673	1,279	7,002
9. Jamaica Plain	12	126			40	160	148	28	113	202	267	275	396	1,767
10. Roxbury							3				5	58	167	233
11. N.Dorchstr/UphmsCornr								3			17	176	147	343
12. S.Dorchstr/Flds Cornr					6	3	192	38	8	71	8	119	280	725
13. Mattapan/Franklin						102	46	4		18	45	65	59	339
14. Roslindale					16	64	36	12		32	23	32	130	345
15. West Roxbury	69			145	134		72	87	82	12	400	120	127	1,248
16. Hyde Park							32			11	2	32	52	129

Source: BRA Research Dept. Suffolk County Registry Master Deeds

Table 3: Boston's Condominiums by Pl. District, Stock Type and Year

Planning district	1969 - 1984 1-4s	1969 - 1984 Total	1969 - 1984 %	1985 only 1-4s	1985 only Total	1985 only %	1986 only 1-4s	1986 only Total	1986 only %	1987 only 1-4s	1987 only Total	1987 only %	TOTAL 1969 - 1987 1-4s	TOTAL 1969 - 1987 Total	TOTAL 1969 - 1987 %
Boston Total:	1119	17030	7	482	4525	11	801	4577	18	1300	5375	24	3702	31507	12
1 East Boston	18	108	17	6	82	7	34	100	34	68	204	33	126	494	26
2 Charlestown	124	266	47	109	157	69	97	242	40	159	393	40	489	1058	46
3 South Boston	23	365	6	29	105	28	78	169	46	168	308	55	298	947	31
4 Central	103	3407	3	37	277	13	45	750	6	57	524	11	242	4958	5
5 Back Bay/Beacon Hill	371	4770	8	35	524	7	53	661	8	76	510	15	535	6465	8
6 South End	326	990	33	122	377	32	164	475	35	163	471	35	775	2313	34
7 Fenway/Kenmore	86	1502	6	30	681	4	19	632	3	44	328	13	179	3143	6
8 Allston/Brighton	18	3495	1	27	1555	2	51	673	8	69	1279	5	165	7002	2
9 Jamaica Plain	25	829	3	62	267	23	115	275	42	174	396	44	376	1767	21
10 Roxbury	3	3	100	0	5	0	16	58	28	82	167	49	101	233	43
11 N.Dorchstr/UphmsCrnr	3	80		6	17	35	41	176	23	97	147	66	147	420	35
12 S.Dorchstr/Flds Crnr	11	259	4	8	8	100	49	119	41	68	280	24	136	666	20
13 Mattapan/Franklin	8	184	4	4	45	0	6	65	0	9	59	0	27	353	8
14 Roslindale	0	140	0	3	23	13	17	32	53	42	130	32	62	325	19
15 West Roxbury	0	600	0	2	400	1	2	120	2	15	127	12	19	1247	2
16 Hyde Park	0	32	0	2	2	100	14	30	47	9	52	17	25	116	22

Source: BRA Research Dept. Suffolk County Registry Master Deeds

The Recent Condominium Record

Table 1, the source of Figure 1 above, shows the overall growth in residential condominiums by year. In only the past four years, 1984 through 1987, 54 percent of the total units were created. This growth appears to be a response to Boston's revitalized housing market in which values began to rise steeply after 1982.[3]

Table 2 traces the unit growth in condominiums by planning district, reflecting the demand pattern for condominiums spreading from Back Bay/Beacon Hill and Central into Allston/Brighton, West Roxbury, Fenway/Kenmore, the South End and Jamaica Plain. At the beginning of 1988, Allston-Brighton had over 7,000 condominiums, 22 percent of the city's condo stock. This is a greater number than any of Boston's other 15 neighborhoods. Other neighborhoods with high proportions of condominiums include Back Bay/Beacon Hill (20 percent), Central (16 percent) and Fenway-Kenmore (10 percent).

Table 3 shows the increasing use of 1-4 family stock, mainly Boston's renowned triple-deckers becoming converted into condominiums. As neighborhood housing markets strengthened, as household incomes rose into higher tax brackets, as buyers and bankers became more accustomed to condos and the paperwork associated with them became standardized, converting triple-deckers into condominiums became very worthwhile -- as shown in the companion paper, "Fostering More Homeownership."

At the end of 1984, 7 percent of the condominium stock in Boston was in 1-4 unit structures. Not surprisingly, this percentage was greater in some neighborhoods, such as the South End and Charlestown, where structures tend to be smaller in size.

By the end of 1985, the proportion of condos in 1-4 unit structures had risen to 11 percent. In Roslindale, West Roxbury and Hyde Park, which previously had no condos in their 1-4 units structures, condos appeared in this sector of their housing stock. In many others, particularly South Boston, Jamaica Plain and North Dorchester, an increasing proportion of condos entering the housing stock were in the 1-4 units structures;

And this increase continued in 1986 and 1987, rising to 18 percent and 24 percent of the condo stock, respectively. For some, such as Roxbury and Roslindale, where condo growth had been slow, the proportion in 1-4's shot upward. Prior to 1986, only 8 structures had been developed into condominium in Roxbury, with three in 1 to 4 unit

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[3] An internal BRA Research Department memo, "Condominium Development, Jan. - June 1988," dated August 10, 1988, discusses more recent developments. In essence, condo development continues at a slower pace. It has become more dispersed across all planning districts and is still moving towards smaller developments. Prices have continued to rise but the sharply reduced total volume of sales suggests that many units created under master deeds filed in 1987 have still not been sold. See also Boston's Housing Stock: 1970 - 2000, Rolf Goetze and Mary Bourguignon, BRA Research Department, December 1987, for a closer examination of condominium development and conversion patterns and their underlying causes.

structures. Yet, in 1986 and 1987, 28 percent and 49 percent, respectively, of new condos were in 1 to 4 structures. The proportion in Roslindale rose similarly.

Neighborhoods such as Jamaica Plain, North Dorchester, South Dorchester and East Boston have also seen a growth in the share of condos in 1 to 4 unit structures.

Even though condominium development recently expanded throughout the neighborhoods further from Beacon Hill, at the beginning of 1988 nearly three out of five, or 58.4 percent of the city's total were still concentrated in three planning districts: 22.2 percent of the total were in Allston/Brighton, 20.5 percent were in Back Bay/Beacon Hill, and 15.7 percent in Central/Downtown. An additional 10.0 percent were in Fenway/Kenmore, and 7.4 percent in the South End.

Mix of condominiums types

Table 4 shows the distribution by unit types for the city as a whole and by planning districts. The "H and P Street" sample, noted in Appendix A, covered approximately one in ten of the condominiums existing at the beginning of 1987, and for 1,571 or 5 percent of the city total, the number of bedrooms was known as well.

In this sample of 1,571 condominiums, about 41 percent are two bedroom units, 35 percent one bedroom, 19 percent are studio units, and the remaining 5 percent have more than two bedrooms. Smaller unit condos are generally found in neighborhoods closer to downtown Boston, such as Fenway/Kenmore, Central and the South End. On the other hand, larger units tend to be in the traditional family neighborhoods, including Jamaica Plain, Allston/Brighton, Charlestown and South Dorchester.

Resulting Changes in Boston Housing Stock Composition, 1980 - 1987

Throughout the City, 12.7 percent of all the private unassisted units, over one in eight, are now condominiums.[4] The percentage of private stock in condominium tenure ranges from 42.0 percent in Central/Downtown, 33.2 percent in Back Bay/Beacon Hill, 24.9 percent in Fenway/Kenmore, 21.7 percent in Allston/Brighton, to 21.0 percent in the South End. Beyond these, 13.6 percent of Charlestown and 10.0 percent of Jamaica Plain are also in condominium tenure, as the market for condominiums in triple-deckers has strengthened.

The interrelationships between total condominiums counts (based on master deeds filed), new construction, conversions, and decline in private rental units are shown in Table 5. Of the 31,500 total condominiums created between 1969 and 1987, only 5,700 or 18 percent were in new developments. The balance, 25,800, or over four out of five, were conversions of previously rental units. One-third of all the new units, or 1,900, are concentrated in Central; Allston/Brighton, Charlestown, and Jamaica Plain also contain significant numbers of new condominiums.

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[4] See Appendix B for more details regarding changes in the composition of Boston's housing stock. The definition of housing stock types and methodology for arriving at this distribution are further explained in Housing in Boston: 1970 - 2000, op. cit.

Table 4: Boston's Residential Condominium Sales by Pl. District and Unit Type (H+P Sample), 1980 -1987 (in units)

Planning district	Studio	1 BR	2 BR	3+ BR	Total
Boston Total:	304	549	651	67	1571
(in percent)	19%	35%	41%	4%	100%
1 East Boston		5	12		17
2 Charlestown	5	2	31	2	40
3 South Boston					0
4 Central	177	241	189	21	628
5 Back Bay/Beacon Hill	18	139	163	15	335
6 South End	11	15	18		44
7 Fenway/Kenmore	86	94	64	2	246
8 Allston/Brighton		18	27	4	49
9 Jamaica Plain	1	14	106	23	144
10 Roxbury					0
11 N.Dorchstr/UphmsCrnr			3		3
12 S.Dorchstr/Flds Crnr	1	21	30		52
13 Mattapan/Franklin			7		7
14 Roslindale					0
15 West Roxbury	5		1		6
16 Hyde Park					0

Source: BRA Research Department, H + P Street sample

Table 5: Condominiums: New, Converted, and Rental Apartment Losses, 1970 - 1987

	'70-87 Total Condos		'70-87 New Condos		'70-87 Convtd Condo		'80-87 PrApts Lost	
Boston total:	31,500	100.0%	5,700	100.0%	25,800	100.0%	(24,221)	100.0%
1. East Boston	450	1.4	150	2.6	300	1.2	(618)	2.6
2. Charlestown	1050	3.3	550	9.6	500	1.9	340	-1.4
3. South Boston	950	3.0	150	2.6	800	3.1	(1,200)	5.0
4. Central	4950	15.7	1900	33.3	3050	11.8	(2,306)	9.5
5. Back Bay/Beacon Hill	6450	20.5	200	3.5	6250	24.2	(3,350)	13.8
6. South End	2300	7.3	150	2.6	2150	8.3	(2,448)	10.1
7. Fenway/Kenmore	3100	9.8	400	7.0	2700	10.5	(2,510)	10.4
8. Allston/Brighton	7000	22.2	700	12.3	6300	24.4	(6,222)	25.7
9. Jamaica Plain	1750	5.6	500	8.8	1250	4.8	(1,323)	5.5
10. Roxbury	250	0.8	150	2.6	100	0.4	(876)	3.6
11. N.Dorchstr/UphmsCornr:	400	1.3	50	0.9	350	1.4	(410)	1.7
12. S.Dorchstr/Flds Cornr:	700	2.2	200	3.5	500	1.9	(950)	3.9
13. Mattapan/Franklin	400	1.3	50	0.9	350	1.4	(581)	2.4
14. Roslindale	300	1.0	100	1.8	200	0.8	(460)	1.9
15. West Roxbury	1300	4.1	400	7.0	900	3.5	(934)	3.9
16. Hyde Park	150	0.5	50	0.9	100	0.4	(374)	1.5

Note: These estimates are + or - 15 percent, and due to rounding, and row and columns totals are not precise sums of individual entries.

Source: BRA Research Department

Of all condo conversions, half, or 12,550 units, were evenly split between Allston/ Brighton (6,300), and Back Bay/Beacon Hill (6,250). Three other planning districts -- Central (3,500), Fenway/Kenmore (2,700) and the South End (2,150) -- contain another 30 percent of the conversions, leaving the remaining 20 percent scattered across the other 11 planning districts.

The 24,200 unit reduction in private rental apartment units that occurred between 1980 and 1988 closely parallels the condominium conversions in most planning districts. Exceptions are Charlestown where some of the conversions were off-set by new rental developments, and Roxbury where the losses of private rental stock were even greater due to both abandonment and shifts of units into subsidized status.

Of this loss, two-thirds or 16,850 units, was concentrated in the same five neighborhoods mentioned above. Over 6,000 rentals were converted in Allston/Brighton alone, 3,350 in Back Bay/Beacon Hill, 2,500 in Fenway/Kenmore, another 2,500 in the South End, and 2,300 in the Central planning district.

During this same period the total number of units in assisted and public housing increased by only 4,300 units, from 40,450 in 1980 to 44,750 in 1987.[5] Meanwhile, additional residential property sales in all neighborhoods are taking place at prices reflecting future conversion potential. These market forces are rapidly eroding the pool of affordable housing, as new buyers seek to pass on their financing costs in much higher rents.

The city's private rental stock comprised some 141,550 units in 1980. An estimated one-quarter to one-third of these properties, containing 35,000 to 45,000 units, have come on the market for new ownership since 1982 when the rise in prices began in earnest. Title transfers bring new financing, sharply raising costs. Thus this rising market tide has already "removed" more affordable housing stock, directly and indirectly, than the total stock of subsidized housing, containing both privately-owned assisted units and public housing, combined.

By the end of 1987, the city had some 122,350 private rental units remaining, having experienced a net loss of 19,200 rentals since 1980, or an average of 2,750 per year.[6] The distribution of these 122,350 rentals by planning district, type of structure and Rent Equity Board registration is shown in Table 6. Allston/ Brighton, the largest planning district, still contained 15,500 rental units, over one-eighth of the city's total. South Dorchester/Fields Corner still had 13,400 due to the many triple-deckers, and Back Bay/Beacon Hill still had 11,500.

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[5] Again see Appendix B and Housing in Boston, op. cit. for more information regarding these stock transformations.

[6] This net loss in private rentals is a function of conversions into condominiums and a limited number of publicly assisted rental units, offset by an additional 5,000 units created as in-law and accessory apartments in larger existing homes.

Table 6: Composition of Rental Housing Stock in 1987[7]

	Total Priv Apartments		PrivApts SF		PrivApts MF		Rent Equity Bd - total		Rent controlled		Vacancy decontrolled	
Boston total:	122,350	100.0	71,900	100.0	50,450	100.0	72,700	100.0	21,500	100.0	51,200	100.0%
1. East Boston	8,500	6.9	8,050	11.2	450	0.9	2,500	3.4	1,250	5.8	1,250	2.4
2. Charlestown	3,150	2.6	2,850	4.0	300	0.6	750	1.0	300	1.4	450	0.9
3. South Boston	6,650	5.4	6,500	9.0	150	0.3	3,450	4.7	1,650	7.7	1,800	3.5
4. Central	6,450	5.3	1,950	2.7	4,500	8.9	5,900	8.1	2,100	9.8	3,800	7.4
5. Back Bay/Beacon Hill	11,150	9.1	1,100	1.5	10,050	19.9	10,600	14.6	2,550	11.9	8,050	15.7
6. South End	5,200	4.3	1,750	2.4	3,450	6.8	3,100	4.3	1,050	4.9	2,050	4.0
7. Fenway/Kenmore	8,400	6.9	150	0.2	8,250	16.4	8,300	11.4	2,000	9.3	6,300	12.3
8. Allston/Brighton	15,500	12.7	6,700	9.3	8,800	17.4	14,750	20.3	2,300	10.7	12,450	24.3
9. Jamaica Plain	8,400	6.9	4,950	6.9	3,450	6.8	4,450	6.1	1,350	6.3	3,100	6.1
10. Roxbury	9,800	8.0	5,150	7.2	4,650	9.2	4,950	6.8	2,250	10.5	2,700	5.3
11. N.Dorchstr/UphmsCornr	5,750	4.7	4,800	6.7	950	1.9	1,900	2.6	750	3.5	1,150	2.2
12. S.Dorchstr/Flds Cornr	13,400	11.0	11,450	15.9	1,950	3.9	4,300	5.9	1,700	7.9	2,600	5.1
13. Mattapan/Franklin	7,100	5.8	5,400	7.5	1,700	3.4	2,450	3.4	950	4.4	1,500	2.9
14. Roslindale	5,400	4.4	5,100	7.1	300	0.6	1,550	2.1	400	1.9	1,150	2.2
15. West Roxbury	3,050	2.5	2,700	3.8	350	0.7	1,550	2.1	400	1.9	1,150	2.2
16. Hyde Park	4,450	3.6	3,300	4.6	1,150	2.3	2,200	3.0	500	2.3	1,700	3.3

Note: These estimates are + or - 15 percent, and due to rounding, and row and columns totals are not precise sums of individual entries.

Source: BRA Research Department

These 122,350 rental units were in many different structures, ranging from the multi-family structures typical of downtown, to the triple-deckers of the streetcar suburb era, to in-law and accessory apartments quietly introduced into homes with underutilized space. Of the total, only 50,450, or 41 percent, were in structures with five or more units. While another 71,900, or 59 percent, were in structures containing four units or less, this includes an estimated 5,000 accessory apartments recently created within 1-4 family homes. The mix in each planning district is a function of the dominant stock types.

Of the total private rentals, only 21,500 rental units, 17.6 percent, were still under actual rent controls.[8] Another 51,200, or 42 percent, were still under Rent Equity

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[7] For implications of rent controlled and vacancy decontrolled, see text.

[8] These are units in which the same tenants have remained as legal occupants since 1976. All private, non-assisted units built before 1968 in structures containing 4 or more units, plus investor-owned triple-deckers, remain under Rent Equity Board (REB) jurisdiction, except those rehabilitated substantially as new under REB permits. Protections for the pre-1976 tenants include prior REB approval required for eviction and limited rent increases.

To avoid the abuses of subletting and charging "key money" to pass favorable rents on to in-movers, Boston permits vacancy de-control of rents, which means that in-movers pay market rent and receive only partial protection. Tenants have just cause eviction rights in court and can, upon petition to the REB restrain rent increases on their own initiative.

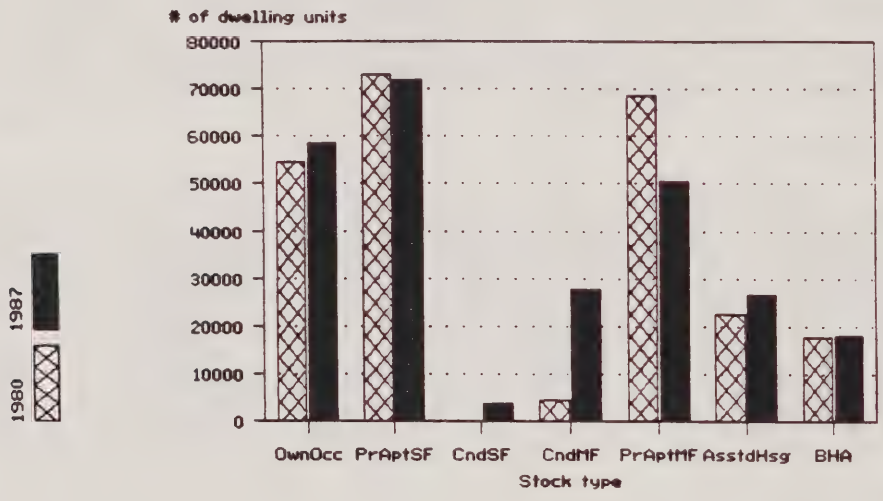
All 71,700 units under REB jurisdiction are also condominium conversion protected, which means that all tenants have the right to remain one year after notification or

Board jurisdiction as "vacancy decontrolled," leaving 49,650 or 41 percent uncontrolled, with the majority under the roof of a resident owner and the balance rehabilitated under permit "as new" since 1976.[9]

Figure 2 shows graphically how the composition of the city's housing stock changed from 1980 to 1988, placing the condominiums in the context of declining totals of private rental housing and limited gains in publicly assisted housing units. Readers interested in actual counts, by structure type and planning district, are urged to consult Tables B.1, B.2 and B.3 in Appendix B.

In Figure 2, **OwnOcc** indicates owner occupied units; **PrAptSF** and **PrAptMF** are private, non-assisted rental apartments in **S**ingle-**F**amily, one- to four-unit, and **M**ulti-**F**amily structures, respectively. **CndSF** and **CndMF**, similarly, are the condominiums in 2-4 unit and multifamily structures. **AsstdHsg** comprises the total of assisted housing units, both new and rehabilitated under federal and state housing subsidy programs. **BHA** designates the units under **B**oston **H**ousing **A**uthority jurisdiction.

Figure 2: Boston's Housing Stock Changes, 1980 - 1987



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filing of master deed for conversion. Furthermore, persons aged over 62, handicapped, or with less than 100 percent of median income are lifetime protected. (HUD median incomes in 1988 are about $32,300 for 2 person, and $40,000 for 4 person households.)

A Permit Removal system, proposed by Mayor Flynn and enacted by the City Council in early June 1988, provides that a majority of the occupants residing over one year must consent to condominium conversion. This is expected to slow conversions while allowing some tenants to gain ownership at insider prices, which in turn permits the developer/converter to sell the balance at market rates. For example, in a ten unit rental with two vacancies, if the owner can obtain the consent of four tenants, conversion can proceed.

[9] To qualify for removal from REB jurisdiction in 1988, investment of over $30,000 per unit is typically required.

Changes in Condominium Values, 1979 - 1987

Consistent with the increase in residential property values in Boston over the past few years, the sales prices of condominiums have risen sharply. The average price of a condominium unit in Boston rose from $60,000 around 1980 to over $160,000 in 1987, an increase of 2.5 times in current dollars. Because price increases were checked between 1981 and 1983 by a period of high interest rates, the annual rate of increase was highest between 1983 and 1986. Each subsequent year after 1983 saw sharp increases: 43 percent from 1983 to 1984, 24 percent from 1984 to 1985, and the highest, 50 percent, from 1985 to 1986 -- and then an apparent drop of 3 percent from 1986 to 1987.[10]

These average sales values mask wide differences -- both in types and sizes of units and among the planning districts -- because the market is so segmented. Not only are single bedroom units on the waterfront very different from conversions in West Roxbury, but even physically identical units would be priced very differently due to location.

Table 7 shows the average cost per unit and per square foot by unit type from around 1980 through 1987. The prices from 1979 through 1986 were obtained from the H + P street sample, tracking over 1,400 units. Prices for 1979 - 1982 were grouped because no major time trend was discernible among widely ranging prices. In these years, it is as if the market were seeking its footing. The 1987 prices were obtained from the *Banker and Tradesman* summary for entire Suffolk County for the second half of 1987 -- thereby including a limited number of units from Chelsea and Revere which reduced the averages for 1987 slightly, compared to what the H + P street sample would have shown had it been completed for 1987.

Type and Size

For studio condominiums, the average cost tripled, from $35,703 around 1980 to $101,560 in 1987, as the average per square foot price rose from $64 in the 1979-1982 period to $223 in 1987. One bedroom condominium prices also tripled since the 1979-1982 period, rising from $43,482 to $133,616 in 1987, as square foot costs rose from $63 to $191.

For two bedroom condominiums, the average sales price rose from $73,387 to $168,486 in 1987. The average figure for 1986, $211,786, was unusually high because a number of high-priced luxury units came on the market within the sample that year, boosting the average. The cost per square foot nearly tripled, rising from $66 to $178. From 1979 to 1987, for all condominiums overall, the average price per square foot rose from $66 to $171.

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[10] This is "apparent" because the data base for 1979 - 1986 was the H + P street sample, whereas 1987 values are based on all the sales listed in the *Banker and Tradesman* for Suffolk County in the second half of 1987 -- and this includes condominium sales in Revere and Chelsea, where prices tend to be somewhat lower.

Table 7: Yearly Average Condominium Sales Values by Type of Unit, 1979 - 1987
(average cost per unit)

	Studios	1 BRs	2 BRs	Average	(N)
1979-82	$35,703	$43,482	$73,387	$60,781	389
1983	38,450	52,116	70,485	61,937	211
1984	62,220	91,393	106,601	88,860	325
1985	84,897	98,336	110,377	110,377	295
1986	132,420	108,273	211,786	165,551	191
1987	101,560	133,616	168,486	160,649	3,169

(average cost per sq. ft.)

	Studios	1 BRs	2 BRs	Average	(N)
1979-82	$64	$63	$66	$66	389
1983	69	97	102	97	211
1984	100	120	103	107	325
1985	142	130	142	138	295
1986	225	168	178	185	191
1987	223	191	162	171	3,169

Table 8: Condominium Sales Values and Sizes by Type of Unit, Suffolk County, July - Dec. 1987

	Studios	1 BRs	2 BRs	3 BRs	Others	Average
No. of sales: (N = 3169)	137	775	1039	128	1090	
Av. sq.ft.:	456	698	1043	1324	1024	938
Cost per unit	$101,560	$133,616	$168,486	$210,332	$173,991	$160,649
per sq.ft.	223	191	162	159	170	171

Table 8, based on the *Banker and Tradesman* County listings for the second half of 1987, provides an overview of sales volume, as well as average sizes and prices by stock type in this period.[11] Obviously, 2 bedroom units are the most common, averaging just over 1000 square feet in size. ("Others" are units that were not listed by bedroom count.) Clearly, the larger the unit, the more it costs -- but on a square foot basis, the basic 500 square foot studios are the most expensive.

Also worth noting are that entire Suffolk County had only 3,169 recorded condominium sales in this six-month period. Allowing for some of the 26,000 pre-existing units coming on the market, as well as the fact that a fraction of these sales were outside Boston, suggests that a significant portion of the units in the record number of master deeds filed in 1986 and 1987 have not yet been absorbed by the market.

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[11] Even the *Banker and Tradesman* Suffolk County listings, covering *all sales by month*, reveal a remarkable, continuous market volatility.

Price variations by Planning District

Growth of values among the planning districts varied, and now major price differences exist between neighborhoods, depending upon the location, size and quality of the units offered. The H + P street sample covered all neighborhoods, but many planning districts had few or no condominium sales through 1986.[12]

In the downtown neighborhoods -- Central, Back Bay-Beacon Hill and the South End -- values had already tripled *by 1986* from the 1979 - 1982 base. Jamaica Plain saw the average price of a condominium rise from $106,321 to $367,000 from 1979 to 1986, an increase of 245 percent which is attributable to high priced luxury condos on Perkins Street in the sample. The average price of condominiums in West Roxbury also increased 200 percent during this same period, although the average price remained well below the city's average.

A concentration of high-priced condominium sales is found in a few neighborhoods -- Charlestown, Central, Back Bay-Beacon Hill, the South End and Jamaica Plain. These higher-priced units tend to be luxury units. Sales of more moderately-priced units are found in East Boston, Allston-Brighton, Mattapan and Fenway-Kenmore. Lower-priced condominiums are found in North and South Dorchester and West Roxbury.

Condominium Ownership

The federal tax reforms of 1986 seem to be fostering more resident ownership of condominiums -- as well as of multifamily stock in general. While about half the condominiums in the sample were owner-occupied, more than the expected number of the units with master deeds filed through 1985 were owner-occupied, while many of those filed more recently appeared to still be in the development process.

In the case of conversions, or in over 80 percent of the recent units, filing a master deed only begins the process of creating condominiums. Many tenants have rights or are otherwise allowed to remain, and the developer usually schedules and initiates some improvements before offering units for sale as condominiums. Recently, as many units flooded some submarkets, it has also taken more and more time to find qualified buyers. Condominium prices are not declining, however. While sales volume is down, price increases have only become more modest.

The Assessing Department classifies existing units as condominiums in the fiscal year beginning July 1 following the calendar year in which the master deed was filed. *Conversions now often take longer*, however, raising the percentage of non-resident-owned condominiums. Determining what percentage of the residents had been at the same address in prior years, possibly as tenants, was beyond the scope of the study.

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[12] Tables containing these data are in Appendix C. The H + P street sample analysis was only carried out through 1986, and sales for 1987 have not yet been analyzed by planning district.

Current ownership and occupancy data were collected for over one-half of the units in the H and P Street sample, or for about 3 percent of Boston's condominium stock.[13] Many interesting insights were gained upon matching condominium owners and residents. Preliminary observation suggests that just about one-half of all the condominiums in the sample were owner-occupied.

The number of condominium units owned by an one owner, on the other hand, varies from one to many, as many as nearly 50. Ninety percent of the condominiums in the sample were owned by an individual owning only that one unit, regardless of whether they were living in this unit or not.[14] Seven percent of condominium owners owned 2 units and the remaining 3 percent owned 3 or more units, but we believe that mostly these were the developers. See Table 9. A few condominium owners owning more than one unit live in one and rented the others.

Table 9. Number of Condominium Units Owned by Same Owner, Boston, 1986

Number of Units Owned	Percent
1 owner	90
2 owners	7
3 or more	3
	100%

Source: BRA Research Department

Different forms of condominium ownership exist in Boston. First, there were resident-owned condominiums, which, as mentioned, held for approximately 5 out of 10 units. Also, some condominiums were owned by families, or occupied by a person with the same last name but a different first name. There appeared to be instances where a parent owned the unit and rented it to a child, where the unit was in a deceased spouse's name, or where another family member lived in the unit. Lastly, there were investors owning one or several condominiums, which were clearly rented by someone else.

Examining the non owner-occupied units in the sample, the typical investor owner holds title to one or two condominiums which are rented to the occupant of the unit.

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[13] This sample contained all the units in all the buildings on streets with names beginning with H and P, as explained in Appendix A. Methodology: the list obtained from County Home data, reflecting the 1986 sample of condos provided owners' names and addresses. These owner names, were used to match up owners and residents within units using the city resident lists (City of Boston Election Department). Where unit numbers were provided, an accurate match by unit could be made. But, since unit numbers were often not available in larger properties, a judgment call was made when owner's last names also showed up on the residents list.

[14] The research design allowed us to identify owners owning one of more units throughout the sample. Instances of scattered site ownership were not evident in the sample, suggesting they are rare through Boston's condominiums.

This accounted for approximately ninety-three percent of condominium investor ownership in the sample. See Table 10. Some owners of condominiums also owned several condominiums, perhaps three or four units in the sample. These units may all be in one building, or usually very nearby if more than one.

Table 10. Investor-Owned Condominium Units

Number of units owned by an investor	Percent of Investor-Owned Units
1	82
2	11
3	3
4-6	2
7 or more	1
	100%

Finally, some investor owners owned all the units in small buildings or owned a substantial portion of the units in a larger building. In many of these cases, the developer is probably still in the picture, holding title, perhaps through a trust or under a different name, to the unsold units. Only about three percent of investor-owned condominium units in the sample were owned by an investor owning five or more units.

Changes in Assessed Values of Properties Converted into Condominiums

Condominium conversions have important tax implications for the city, representing an important new source of property tax revenue. In fact, each condominium conversion boosts the city's annual revenues by $600; the 5,375 conversions of 1987 represent a lasting new revenue source providing in excess of $3 million per year. This is because rental property and condominiums are assessed using different methods.

Because rental property is income producing, it is generally assessed by valuing the income stream derived from rents through an income capitalization approach, supplemented with market data on sale prices of similar properties. Because condominiums are viewed as homeownership properties, they tend to be assessed on the basis of comparable sales. The market value of condominiums is higher because: 1) some people are willing to pay more to own units as homes due to federal tax policies; 2) the same monthly outlay supports more value under homeownership; 3) rent controls depressed values of stock remaining in rental tenure; and 4) units are generally renovated and improved when they become converted.

In fiscal 1987, that is, between July 1, 1986 and June 30, 1987, the city gained 4,473 condominium units according to Assessing Department records for FY '88. The previous assessed value of these properties was $235.3 million dollars, or $52,600 per unit -- which in four out five instances was a rental apartment. After conversion or development, the resulting total assessed value became $482.3 million, or $108,830 per condominium -- more than doubling the city's property tax revenue from these

properties.[15]

The city's policy of reassessing as a condominium in the fiscal year following the filing of a master deed was not contested in the past when developments and conversions were usually completed within that time frame. In calendar 1987, however, both the number of conversions and total number of condominiums increased sharply while the total number of sales did not.

The number of master deeds filed appears to have significantly exceeded the number of condominiums actually created and sold. Whether this was due to weakening of the condo sales market or the "protective" filing of master deeds to avoid more stringent conversion controls being publicly debated is unclear.

A significant number of cases may emerge this year in which the city is trying to limit conversions or rent increases at the same time that the Assessor is seeking to double the tax yield on properties that filed master deeds for condo conversion. As Brookline discovered, it will be difficult to have it both ways.[16]

The federal tax reforms of 1986 have made investor ownership of rental property much less attractive by taxing capital gains as ordinary income in the year of sale while at the same time also diminishing the tax benefits of depreciation. This means that as previously rental units come on the market, the tendency will be to convert more properties to resident ownership than before.

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[15] Informal sampling of print-outs of the Assessing Department indicates that conversions contributed as much as new construction to the increased valuation. Location determines much of the value differential and many conversions are in sections of the city where values have risen sharply, whereas some of the new developments are in areas that are currently not as fashionable.

[16] In 198?, Brookline, MA, assessing practices were the subject of a court suit which determined that the Town could not simultaneously restrict rents while assessing properties at market values based on unrestricted rents. Brookline has adopted a policy of reassessing *only after the recorded sale of the first unit under the master deed*, rather than directly after filing of the master deed.

Appendix A: Methodology

From Suffolk County Registry of Deeds records, the BRA Research Department currently maintains a complete master list of all condominium properties, based on master deeds filed, identifying for each its street address, number of units, year of filing, ward, precinct, planning district, and census tract.[17]

To investigate such factors as unit size distribution, actual resident ownership, value and rate of appreciation, a much more detailed 10 percent sample was created by focusing on all units on streets beginning with "H" or "P." See Appendix C tables. This sample is fairly representative of the city's entire condominium stock, in its neighborhood distribution, vintage, structure size, and other characteristics. The selection of these streets was superior to selecting every tenth unit from an arbitrary list, because it enabled us to test and compare the data from different sources, including several city agencies, the Banker and Tradesman, and the information available on floppy diskettes from County Home Data of Shelburne, Vermont.

Appendix B: Boston's Changing Housing Stock Composition, 1980 - 1987

Boston's housing stock has expanded by an estimated 16,250 units since 1970, from 241,100 units in 1980 to 257,350 at the end of 1987. This appendix shows the totals and net changes by stock types and planning districts. Columns A - D contain 1-4 family structures; columns E - H contain multi-unit structures of five or more units; and column I shows the totals. Table B.1 contains the 1980 stock; table B.2 shows the stock at the end of 1987; and Table B.3 reveals the net changes in the interim.

OwnOcc indicates owner occupied units; **PrAptSF** and **PrAptMF** are private, non-assisted rental apartments in **S**ingle-**F**amily, one- to four-unit, and **M**ulti-**F**amily structures, respectively. **CondoSF** and **CondoMF**, similarly, are the condominiums in 2-4 unit and multifamily structures. **SubsRhb** and **SubsNew** comprise assisted housing units, both rehabilitated and new, under federal and state housing subsidy programs. **BHA** designates the owned and managed by the Boston Housing Authority.[18]

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[17] Filing a master deed defines condominiums for the Assessing Department, whether or not individual units have actually been sold as condominiums. While it is difficult to completely reconcile BRA data with Assessing Department information, they match closely.

The Assessing Department indicated that as of 1/1/87 there was a total of 25,813 residential condominiums and 1,009 commercial condominiums for FY 1988, whereas BRA records indicate 26,125 residential condominiums at that time -- and whereas the Assessing Dept. shows a net increase of 4,337 residential condominiums between FY87 and FY88 (that is, for master deed filed within calendar 1986), the BRA listed 4,585 units by address. The differences are likely to lie in revisions of plans after filing master deeds, reconversions, etc.

[18] More specifics regarding housing stock changes and research methodology can be found in *Housing in Boston, 1970 -2000*, op. cit.

Table B.1: Boston's 1980 Housing Stock in Dwelling Units by Structure Types

	A	B	C	D	E	F	G	H	I
	1-4 Family Structures			5 + Multifamily Structures					BOS1980
				Assisted Housing					
	OwnOcc	PrAptSF	CondoSF	SubsRhb	SubsNew	BHA	PrAptMF	CondoMF	Total
1980 Boston Total:	54,650	73,100	0	10,150	12,600	17,700	68,450	4,450	241,100
1. East Boston	3,800	7,900	0	150	900	1,050	750	0	14,550
2. Charlestown	1,650	2,550	0	0	600	1,250	50	0	6,100
3. South Boston	3,200	6,800	0	0	200	3,100	650	100	14,050
4. Central	550	2,100	0	100	1,400	100	6,550	800	11,600
5. Back Bay/Beacon Hill	950	1,550	0	350	200	100	12,850	2,400	18,400
6. South End	1,300	2,650	0	1,450	1,800	1,550	4,800	200	13,750
7. Fenway/Kenmore	100	150	0	450	750	0	10,750	50	12,250
8. Allston/Brighton	4,150	6,400	0	700	1,700	1,300	14,900	350	29,500
9. Jamaica Plain	3,250	5,200	0	1,050	300	3,000	4,100	150	17,050
10. Roxbury	3,600	5,600	0	5,300	2,150	1,600	4,800	0	23,050
11. N.Dorchstr/UphmsCornr	2,200	4,800	0	250	100	1,650	1,150	0	10,150
12. S.Dorchstr/Flds Cornr	7,550	11,200	0	50	300	400	2,400	0	21,900
13. Mattapan/Franklin	3,900	5,450	0	250	150	1,350	1,950	0	13,050
14. Roslindale	5,250	5,000	0	50	1,000	700	450	50	12,500
15. West Roxbury	7,050	2,550	0	0	1,050	200	1,050	350	12,250
16. Hyde Park	6,150	3,200	0	0	0	350	1,250	0	10,950

Table B.2: Boston's 1987 Housing Stock in Dwelling Units by Structure Types

	A	B	C	D	E	F	G	H	I
	1-4 Family Structures			5 + Multifamily Structures					
				Assisted Housing					
	OwnOcc	PrAptSF	CondoSF	SubsRhb	SubsNew	BHA	PrAptMF	CondoMF	Total
1987 Boston Total:	58,750	71,900	3,700	11,100	15,550	18,100	50,450	27,800	257,350
1. East Boston	4,250	8,050	100	150	950	1,050	450	350	15,350
2. Charlestown	1,750	2,850	500	0	650	1,250	300	550	7,850
3. South Boston	3,650	6,500	300	0	300	3,100	150	650	14,650
4. Central	700	1,950	250	150	1,650	100	4,500	4,700	14,000
5. Back Bay/Beacon Hill	900	1,100	550	450	200	100	10,050	5,900	19,250
6. South End	1,650	1,750	750	1,600	2,300	1,550	3,450	1,550	14,600
7. Fenway/Kenmore	100	150	150	700	850	0	8,250	2,950	13,150
8. Allston/Brighton	4,300	6,700	150	750	1,900	1,300	8,800	6,850	30,750
9. Jamaica Plain	3,500	4,950	350	1,200	500	3,000	3,450	1,400	18,350
10. Roxbury	4,300	5,150	100	5,400	2,900	1,600	4,650	150	24,250
11. N.Dorchstr/UphmsCornr	2,350	4,800	150	250	150	1,750	950	250	10,650
12. S.Dorchstr/Flds Cornr	7,850	11,450	150	150	550	500	1,950	550	23,150
13. Mattapan/Franklin	4,300	5,400	50	250	250	1,350	1,700	350	13,650
14. Roslindale	5,400	5,100	50	50	1,100	800	300	250	13,050
15. West Roxbury	7,550	2,700	50	0	1,050	200	350	1,250	13,150
16. Hyde Park	6,200	3,300	50	0	250	450	1,150	100	11,500

Note: These estimates are +/- 15 percent, and due to rounding, row and column totals are not precise sums of individual entries.

Table B.3: Boston's Net Housing Stock Changes in Dwelling Units by Structure Types

	A	B	C	D	E	F	G	H	I
	1-4 Family Structures			5 + Multifamily Structures					
				Assisted Housing					
	OwnOcc	PrAptSF	CondoSF	SubsRhb	SubsNew	BHA	PrAptMF	CondoMF	Total
1980 - 1987 Change:	4,100	(1,200)	3,700	950	2,950	400	(18,000)	23,350	16,250
1. East Boston	450	150	100	0	50	0	(300)	350	800
2. Charlestown	100	300	500	0	50	0	250	550	1,750
3. South Boston	450	(300)	300	0	100	0	(500)	550	600
4. Central	150	(150)	250	50	250	0	(2,050)	3,900	2,400
5. Back Bay/Beacon Hill	(50)	(450)	550	100	0	0	(2,800)	3,500	850
6. South End	350	(900)	750	150	500	0	(1,350)	1,350	850
7. Fenway/Kenmore	0	0	150	250	100	0	(2,500)	2,900	900
8. Allston/Brighton	150	300	150	50	200	0	(6,100)	6,500	1,250
9. Jamaica Plain	250	(250)	350	150	200	0	(650)	1,250	1,300
10. Roxbury	700	(450)	100	100	750	0	(150)	150	1,200
11. N.Dorchstr/UphmsCornr	150	0	150	0	50	100	(200)	250	500
12. S.Dorchstr/Flds Cornr	300	250	150	100	250	100	(450)	550	1,250
13. Mattapan/Franklin	400	(50)	50	0	100	0	(250)	350	600
14. Roslindale	150	100	50	0	100	100	(150)	200	550
15. West Roxbury	500	150	50	0	0	0	(700)	900	900
16. Hyde Park	50	100	50	0	250	100	(100)	100	550

Note: These estimates are +/- 15 percent, and due to rounding, row and column totals are not precise sums of individual entries.

Appendix C: Average Condominium Values, by Year, Type and Location

There were 1,414 condominium sales in the same "H and P" street sample, comprising about 5 percent of the city's total, that also had complete and plausible information regarding sales price, type and square footage. Table C.1 shows the distribution of sales in this sample by location and year of sale. Note that most sales data pertained to units in planning districts nearer the downtown, extending to Allston/Brighton and Jamaica Plain.

Tables C.2 and C.3 show the average value per square foot, above, and average prices per unit, below. Due to the limited number of units per cell in these tables, these data are only suggestive of actual patterns. Note also that a district such as the South End contains great diversity, making it quite possible for a studio condo with a view on a park to be worth considerably more than a larger two bedroom unit facing north.

Despite these limitations, these tables show that prices on a square foot basis were highest close to downtown, in Back Bay/Beacon Hill, the South End, Central, and Fenway/Kenmore. Average values in Charlestown and Jamaica Plain increased sharply in recent years as highly attractive, newly constructed units were sold. In Charlestown the averages include waterfront units in the former Navy Yard. Jamaica Plain gained larger units in the former Cabot Estate woodlands on the Brookline line near Jamaica Pond, which became worth over $400,000 in 1986.

Table C.1: Distribution of 1412 'H and P Street' Condominiums Sold, by Planning District, Year and Type, 1979 - 1986

	STUDIOS					ONE BEDROOM				
Planning district	1979-82	1983	1984	1985	1986	1979-82	1983	1984	1985	1986
1 East Boston									3	2
2 Charlestown				3	2	1				1
3 South Boston										
4 Central	14	1	68	73	21	51	7	117	43	15
5 Back Bay/Beacon Hill	13		1	2	1	21	66	8	10	12
6 South End		4	1	2	4	7		2	2	3
7 Fenway/Kenmore	9	17	12	24	22	25	15	13	17	23
8 Allston/Brighton									13	5
9 Jamaica Plain	1					13				
10 Roxbury										
11 N.Dorchstr/UphmsCrnr						15		2	2	2
12 S.Dorchstr/Flds Crnr	1									
13 Mattapan										
14 Roslindale										
15 West Roxbury		3	1		1					
16 Hyde Park										
Boston Total:	38	25	83	104	51	133	88	142	90	63

	TWO BEDROOM					ALL CONDOS AVERAGED				
Planning district	1979-82	1983	1984	1985	1986	1979-82	1983	1984	1985	1986
1 East Boston				9	3				12	5
2 Charlestown	12	1	3	6	9	13	1	3	9	12
3 South Boston										
4 Central	58	13	54	32	12	123	21	239	148	48
5 Back Bay/Beacon Hill	37	65	9	24	14	71	131	18	36	27
6 South End	10		3		4	17	4	6	4	11
7 Fenway/Kenmore	12	14	16	11	11	46	46	41	52	56
8 Allston/Brighton		5	10	8	4		5	10	21	9
9 Jamaica Plain	59		5	5	18	73		5	5	18
10 Roxbury										
11 N.Dorchstr/UphmsCrnr				2	1				2	1
12 S.Dorchstr/Flds Crnr	29				1	45		2	2	3
13 Mattapan				7					7	
14 Roslindale										
15 West Roxbury	1					1	3	1		1
16 Hyde Park										
Boston Total:	218	98	100	104	77	389	211	325	298	191

Note: Due to the limited number of units per cell in these tables, these data are only suggestive of actual patterns.

Table C2: Average Square Foot Price of 1412 'H and P Street' Condominiums Sold, by Planning District, Year and Type, 1979 - 1986 (in Dollars per Square Foot)

	STUDIOS					ONE BEDROOM				
Planning district	1979-82	1983	1984	1985	1986	1979-82	1983	1984	1985	1986
1 East Boston									106	96
2 Charlestown				125	161	64				164
3 South Boston										
4 Central	67	104	102	132	240	65	81	111	120	185
5 Back Bay/Beacon Hill	78		101	186	393	80	107	134	207	258
6 South End		87	97	395	245	79		157	188	237
7 Fenway/Kenmore	68	67	94	152	211	83	66	105	134	133
8 Allston/Brighton									106	96
9 Jamaica Plain	36					64				
10 Roxbury										
11 N.Dorchstr/UphmsCrnr										
12 S.Dorchstr/Flds Crnr	51					40		54	96	63
13 Mattapan										
14 Roslindale										
15 West Roxbury		43	47		106					
16 Hyde Park										
Boston Total:	64	69	100	142	225	63	97	120	130	168

	TWO BEDROOM					ALL CONDOMINIUMS AVERAGED				
Planning district	1979-82	1983	1984	1985	1986	1979-82	1983	1984	1985	1986
1 East Boston				106	107				106	103
2 Charlestown	61	88	79	149	169	61	88	79	138	167
3 South Boston										
4 Central	72	77	104	136	153	72	82	107	131	197
5 Back Bay/Beacon Hill	78	116	169	205	276	78	111	149	205	269
6 South End	71		116		201	71	87	127	291	227
7 Fenway/Kenmore	46	80	95	120	142	46	73	98	137	165
8 Allston/Brighton		53	69	101	104		53	69	102	100
9 Jamaica Plain	81		84	141	200	81		84	159	187
10 Roxbury										
11 N.Dorchstr/UphmsCrnr									57	91
12 S.Dorchstr/Flds Crnr				69	91	39		54	96	76
13 Mattapan	39				103				89	
14 Roslindale				89						
15 West Roxbury	32					32	43	47		106
16 Hyde Park										
Boston Total:	66	102	103	142	178	66	97	107	138	185

Note: Due to the limited number of units per cell in these tables, these data are only suggestive of actual patterns.

Table C3: Average Unit Price of 1412 "H and P Street" Condominiums Sold, by Planning District, Year and Type, 1979 - 1986 (in Dollars per Condominium Unit)

	STUDIOS					ONE BEDROOM				
Planning district	1979-82	1983	1984	1985	1986	1979-82	1983	1984	1985	1986
1 East Boston									88,000	90,000
2 Charlestown				126,333	74,200	52,000				151,500
3 South Boston										
4 Central	61,554	65,000	65,246	87,705	169,713	42,129	52,422	95,668	116,579	131,087
5 Back Bay/Beacon Hill	27,269		66,000	95,000	111,900	65,172	56,001	93,273	103,150	126,742
6 South End		74,750	85,000	192,250	169,600	58,539		102,157	130,500	152,333
7 Fenway/Kenmore	25,963	29,956	45,263	61,388	98,892	50,228	36,620	58,596	77,603	84,478
8 Allston/Brighton									69,077	103,500
9 Jamaica Plain	13,125					59,981				
10 Roxbury										
11 N.Dorchstr/UphmsCrnr										
12 S.Dorchstr/Flds Crnr	21,100					25,800		36,200	61,200	42,500
13 Mattapan										
14 Roslindale										
15 West Roxbury		29,333	33,400		75,000					
16 Hyde Park										
Boston Total:	35,703	38,450	62,220	84,897	132,420	43,482	52,116	91,393	98,336	108,273

	TWO BEDROOM					ALL CONDOMINIUMS AVERAGED				
Planning district	1979-82	1983	1984	1985	1986	1979-82	1983	1984	1985	1986
1 East Boston				92,667	94,833				91,500	92,900
2 Charlestown	76,179	66,000	67,167	138,500	137,333	74,319	66,000	67,167	129,300	135,660
3 South Boston										
4 Central	66,448	57,577	119,011	146,425	189,838	59,215	67,288	92,564	112,767	164,480
5 Back Bay/Beacon Hill	87,914	71,999	107,100	123,229	218,643	69,331	65,685	98,671	116,083	178,403
6 South End	59,691		87,667		196,625	59,216	74,750	92,052	161,375	174,718
7 Fenway/Kenmore	37,233	79,150	77,955	105,341	123,361	42,903	50,014	62,248	75,345	97,778
8 Allston/Brighton		61,000	77,930	101,156	158,750		61,000	77,930	80,290	128,056
9 Jamaica Plain	115,181		155,700	243,700	392,106	106,321		155,700	282,136	367,001
10 Roxbury										
11 N.Dorchstr/UphmsCrnr				65,500	86,000				60,333	86,000
12 S.Dorchstr/Flds Crnr	31,401				82,000	29,305		36,200	61,200	55,667
13 Mattapan				152,714					152,714	
14 Roslindale										
15 West Roxbury	25,000					25,000	29,333	33,400		75,000
16 Hyde Park										
Boston Total:	73,387	70,485	106,601	110,377	211,786	60,781	61,937	88,860	110,377	165,551

Note: Due to the limited number of units per cell in these tables, these data are only suggestive of actual patterns.